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OCI No. 0334 Copy No. 35 CENTRAL INTELLIGENCE AGENCY
OFFICE OF CURRENT INTELLIGENCE
5 November 1954

TO:

Deputy Director (Intelligence)

CD/ED

SUBJECT: Coming New Zealand Elections

- 1. Date: 13 November 1954---Regular general election which is required every three years.
- 2. Offices to be filled: All 80 in the House of Representatives Unicameral Parliament.
- 3. Parties participating: National, Labor, Communist, Social Credit (a newly-formed organization)
- 4. Key political figures: Prime Minister Sidney G. Holland, leader of the National Party; Walter Nash, leader of Labor Party opposition.
- 5. Principle issues: Primarily domestic. Basic difference is National Party's advocacy of private enterprise and a minimum of governmental "interference" as opposed to Labor's desire to further development of the "welfare state." There are no important differences on foreign policy.
- 6. Present party strength: National Party holds 50 seats in parliament; Labor, 30.
- 7. Principle factors influencing outcome: Record of National Party. The National Party is vulnerable to Labor attacks on high cost of living. The farmers, however, are the largest single voting group in the country and they seem generally satisfied with the present government and are likely to remain so as long as present prices for their produce remain satisfactory. Voter apathy, which is unusual in New Zealand, may also affect the results.
- 8. Outcome of other elections: In last general election (September 1951), the National Party increased its strength in parliament from 46 to 50 seats. The government called that election to win endorsement of its handling of a prolonged strike on the waterfront.

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- 9. Informed opinion: Most observers feel that the National Party will be returned to power, but with a reduced majority. A few believe that the majority will be very small. Neither the Communists nor the Social Credit Party are likely to win any seats.
- 10. Significance to US security: Practically none. Both major parties are firmly anti-Communist and believe in peace through strength. Of the two, the policy of the National Party is closer to the US, but both give paramount importance to ties with Britain.

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